PERCENT BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization	Contract Number	Amendment Date(s):	Canceled Date:
Mille Lacs SWCD	WBIFC23-3265-8	Q]	☐

• If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name	Address	City/State	Zip code
Scott Otto	10915 120* St	Milaca, MN	56353

* If a group contract this must bo filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name	Township	Range	Section	1/4,1/4
Bogus Brook	37	26	7	PT OF NW OF NW BEG NW COR E 437.84 FT, S 270 FT, W 437.84 FT N 270 FT SEE SURVEY 3/24/25 7 37 26 2.71

Contract Information

I (we), the undersigned, do hereby request assistance to help defray the cost of installing the following practlce(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of practice(s) and upland treatment criteria applied under this program to ensure that the conservation objectives are met and the effective life, a **minimum of perpetual** years, is achieved. The specific operation and maintenance requirements for the conservation practice(s) listed are described in the Operation and Maintenance Plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice(s) during the effective life, the land occupier is liable to the organization for up to 150% of the amount of financial assistance received to install and establish the practice(s) unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources,
3. If title to this land is transferred to another party before expiration of the aforementioned effective life, it shall be the responsibility of the landowner who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.
4. Practice(s) must be planned and Installed in accordance with technical standards and specifications of the: **MN Dept of Health**
5. Increases in the practice(s) units or cost must be approved by the organization through amendment of this contract as a condition to Increase the financial assistance payments.
6. This contract, when approved by the organization, will remain in effect unless canceled or amended by mutual agreement. If the practice(s) covered by this contract have not been installed by August 15£, 2026 (date), this contract will be automatically terminated on that date.
7. Items of cost for which reimbursement is claimed are to be supported by invoices/receipts for payments and will be verified by the organization as practical and reasonable. The invoices/receipts must include: the name of the vendor; the materials, labor or equipment used; the component unit costs; and the date(s) the work was performed. The organization has the authority to make adjustments to the costs submitted for reimbursement. Reimbursement requests must also be supported by a completed Percent Based Voucher Form.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel(s) where the conservation practice(s) will be located.
2. Have all required legal land rights, including but not limited to: access and authority to both construct and maintain the conservation practice(s) agreed upon in this contract for the effective life of the practice(s).
3. Obtain any permits required in conjunction with the installation and establishment of the practice(s) prior to starting construction of the practice(s).
4. Be responsible for the operation and maintenance of the conservation practice(s) applied under this program in accordance with an Operation and Maintenance Plan prepared by the technical assistance provider.
5. Not accept financial assistance funds, from state sources in excess of 60 percent, or state and non-state sources that when combined are in excess of 60 percent of the total cost to establish the conservation practice(s).
6. Provide copies of all forms and contracts pertinent to any other state or non-state programs that are contributing funds toward this project.

Date	Land Occupier
9-4-26	
Date	Landowner, if different from applicant Address, if different from applicant information:

Conservation Practice

The primary practice for which assistance is requested is 351 Well Decommissioning

Practice standard(s) or eligible component(s)	Total Project Cost Estimate
Seal an abandoned well	$1550

Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice(s) will be installed and deem the practice(s) needed and that the estimated quantities and costs are practical and reasonable.

Date	Technical Assistance Provider
9-1-2026	See MDH-certified well sealer's attached estimate (H & H Well Services)

Amount Authorized for Financial Assistance

The organization has authorized the following for financial assistance: total not to exceed 60 percent of the total cost to establish the conservation practice.

Approval Date	Authorized Signature	Total Amount Authorized
9/9/26		$ 930

PERCENT BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization	Contract Number	Amendment ☐ Date(s):	Canceled ☐ Date:
Mille Lacs SWCD	WBIFC23-3265-8b		

*If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name	Address	City/State	Zip code
Scott Otto	10915 120th St	Milaca, MN	56353

* If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name	Township	Range	Section	1/4,1/4
Bogus Brook	37	26	7	PT OF NW OF NW BEG NW COR E 437.84 FT, S 270 FT, W 437.84 FT N 270 FT SEE SURVEY 3/24/25 7 37 26 2.71

Contract Information

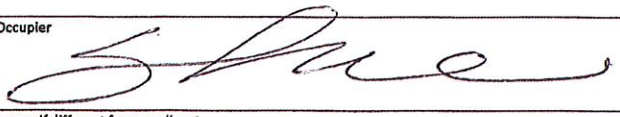
I (we), the undersigned, do hereby request assistance to help defray the cost of installing the following practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of practice(s) and upland treatment criteria applied under this program to ensure that the conservation objectives are met and the effective life, a **minimum of perpetual years**, is achieved. The specific operation and maintenance requirements for the conservation practice(s) listed are described in the Operation and Maintenance Plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice(s) during the effective life, the land occupier is liable to the organization for up to **150**% of the amount of financial assistance received to install and establish the practice(s) unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources.
3. If title to this land is transferred to another party before expiration of the aforementioned effective life, it shall be the responsibility of the landowner who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.
4. Practice(s) must be planned and installed in accordance with technical standards and specifications of the: **MN Dept of Health**
5. Increases in the practice(s) units or cost must be approved by the organization through amendment of this contract as a condition to increase the financial assistance payments.
6. This contract, when approved by the organization, will remain in effect until the effective life of the practice(s) is achieved as described in the Conservation Practices table below, unless canceled or amended by mutual agreement or if the practice(s) covered by this contract have not been installed by **November 30th, 2026**, in which case the organization may immediately terminate the contract.
7. Items of cost for which reimbursement is claimed are to be supported by invoices/receipts for payments and will be verified by the organization as practical and reasonable. The invoices/receipts must include: the name of the vendor; the materials, labor or equipment used; the component unit costs; and the date(s) the work was performed. The organization has the authority to make adjustments to the costs submitted for reimbursement. Reimbursement requests must also be supported by a completed Percent Based Voucher Form.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel(s) where the conservation practice(s) will be located.
2. Have all required legal land rights, including but not limited to: access and authority to both construct and maintain the conservation practice(s) agreed upon in this contract for the effective life of the practice(s).
3. Obtain any permits required in conjunction with the installation and establishment of the practice(s) prior to starting construction of the practice(s).
4. Be responsible for the operation and maintenance of the conservation practice(s) applied under this program in accordance with an Operation and Maintenance Plan prepared by the technical assistance provider.
5. Not accept financial assistance funds, from state sources in excess of **60** percent, or state and non-state sources that when combined are in excess of **60** percent of the total cost to establish the conservation practice(s).
6. Provide copies of all forms and contracts pertinent to any other state or non-state programs that are contributing funds toward this project.

Date	Land Occupier
9-17-26	
Date	Landowner, if different from applicant Address, if different from applicant information:

Conservation Practice

The primary practice for which assistance is requested is 351 Well Decommissioning

Practice standard(s) or eligible component(s)	Total Project Cost Estimate
Seal an abandoned well	$1,550.00

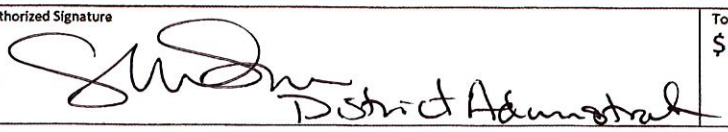
Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice(s) will be installed and deem the practice(s) needed and that the estimated quantities and costs are practical and reasonable.

Date	Technical Assistance Provider
9-1-2026	See MDH-certified well sealer's attached estimate (H & H Well Services)

Amount Authorized for Financial Assistance

The organization has authorized the following for financial assistance: total not to exceed **60** percent of the total cost to establish the conservation practice.

Approval Date	Authorized Signature	Total Amount Authorized
9-17-2026	 District Administrator	$ 930.00

MEMO: WBIFC23-3265-8b Otto Well Sealing

The District originally authorized a contract with Scott Otto for well sealing on September 9, 2026, under contract WBIFC23-3265-8.

After authorization, staff identified an error in the contract language. One clause stated that if the practice had not been installed by August 15, 2026, the contract would automatically terminate on that date. This date was inadvertently carried over from a previous well sealing contract and was not identified during the review process. Because the termination date occurred before the contract was authorized, the contract was effectively invalid upon execution.

Due to the landowner's limited timeline for completing the well sealing, the District Administrator used her authority to authorize a new contract under 500-02 Project Initiation & Approval policy 2024-01: Administrator can authorize up to $5,000 sub-agreements for partners within grant budget limits without board action. The new contract, WBIFC23-3265-8b, corrects the erroneous implementation date.

This memo is provided to document the correction and the circumstances surrounding the replacement contract.